

3 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

April 19, 1988

Mr. Roy Benson Area Manager Keigley Quarry RFD #1, Box 20-B Santaquin, Utah 84655

Dear Mr. Benson:

Re: Tentative Approval, M/049/001, Keigley Quarry, Utah County, Utah

The information provided in your February 19, 1988 letter adequately addresses our remaining concerns at Keigley Quarry. The Division hereby grants tentative approval to the Keigley Quarry Mine and Reclamation Plan submitted by Geneva Steel. A summary of the plan will now be published in the local newspapers for a 30 day public comment period.

Geneva Steel will be required to post a reclamation bond within 90 days after the public comment period has elapsed. A preliminary reclamation estimate is enclosed for your review. The Division will substitute local contractors' rates into this estimate if three quotes are provided before May 20, 1988.

Please contact me or Frank Filas of my staff if you should have any questions or require additional information.

Sincerely,

Lowell P. Braxton

Samuel P Regton

Administrator, Mineral Resource Development and Reclamation Program

cc: F. Filas

FF enclosure

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DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES IN AND FOR THE STATE OF UTAH

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IN THE MATTER OF TENTATIVE APPROVAL OF THE MINING AND RECLAMATION PLAN PERMIT APPLICATION SUBMITTED BY GENEVA STEEL UTAH COUNTY, UTAH

NOTICE OF TENTATIVE APPROVAL NO. M/049/001

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THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN SECTIONS 15, 22, 23, 26, AND 27, TOWNSHIP 9 SOUTH, RANGE 1 EAST, SLBM, UTAH COUNTY, UTAH.

Notice is hereby given that tentative approval was given by the Division of Oil, Gas and Mining, on April 19, 1988 to Geneva Steel to continue surface mining operations in Sections 22, 23, 26, and 27, Township 9 South, Range 1 East, Utah County, Utah. This notice is given according to the provisions of Sections 63-46b-4 and 63-46b-5, and the Administrative Procedures for Rules Applicable to the Reclamation of Lands Mined for Minerals in Utah, R613-1M-11.

The name of the mining operation is the Keigley Quarry, and the person representing the company is Mr. Roy Benson, Area Manager, Keigley Quarry, RFD #1, Box 20-B, Santaquin, Utah 84655 (801) 465-2532.

Geneva Steel has fulfilled obligations under the Utah Mined Land Reclamation Act of 1975 (Section 40-8, UCA, 1953, as amended) with specific reference to Section 40-8-13 and will employ the following mining and reclamation techniques on approximately 400 acres of privately owned land.

<u>During Operations:</u>

Limestone will be quarried from an open pit by drilling and blasting and then hauled to a mill for processing through a series of crushers and screens. Existing waste dumps will also be processed. The crushed stone is transported by train to the Geneva Steel Mill in Orem, Utah.

Following Operations:

The buildings at the plant site will be removed and the foundations buried. The waste disposal area will be recontoured and topsoiled. The plant site, borrow area, and waste disposal areas will be scarified, seeded, and fertilized

The proposed mine plan and any subsequent filings may be inspected in the office of the undersigned, 355 North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203, (801) 538-5340.

Any person or agency aggrieved by this tentative decision is hereby requested to submit written protest within thirty (30) days of the date of publication to the undersigned setting forth factual reasons for his or her complaint, and thereafter, at a time and place to be established, appear before the Board of Oil, Gas and Mining to show cause, if any, why this mine plan should not be approved.

DATED this 22nd day of April 1988.

STATE OF UTAH DIVISION OF OIL, GAS AND MINING

Marjorie L. Anderson

Administrative Assistant

DRAFT FOR DISCUSSION PURPOSES ONLY

February 27, 1989

Valley Bank & Trust Company 185 South State Street Salt Lake City, UT 84111

State of Utah Division of Oil, Gas & Mining 355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, UT 84180-1230

Re: Depository Account for Basic Manufacturing and Technologies of Utah, Inc., dba Geneva Steel Company Account No. _____, Keigley Quarry Mine Permit No. M/049/001

Gentlemen:

Basic Manufacturing and Technologies, Inc., dba Geneva Steel Company ("Geneva") has entered into a Reclamation Contract (the "Reclamation Contract") with the Division of Oil, Gas and Mining (DOGM) pursuant to which Geneva has agreed to provide bonding in the amount of \$505,000.00 to secure performance of reclamation of the Keigley Quarry Mine.

The purpose of this letter is to establish the basis for a depository account that will serve as collateral for the obligations of Geneva under the Reclamation Contract.

Accordingly, we request your agreement with the following:

- 1. Account # ____ at Valley Bank (the "Depository Account") will be operated and maintained exclusively for the benefit of DOGM.
- 2. Geneva will deposit the sum of \$505,000.00 into the Depository Account.

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- 3. All interest accruing on the funds in the Depository Account shall be distributed monthly by Valley Bank to Geneva in accordance with instructions from Geneva.
- 4. Withdrawals from the Account may only be made by signature of the person purporting to be the Director of DOGM, verified by the Attorney General or any Assistant Attorney General of the State of Utah.
- 5. DOGM may make withdrawals from the Depository Account only as provided in the Reclamation Contract or as appropriate to effect an approved refund of all or part of the funds therein to Geneva, but Valley Bank shall have no obligation to establish whether any withdrawal of DOGM is permitted by the Reclamation Contract or otherwise.
- 6. Upon certification by DOGM of completion of reclamation by Geneva as provided in paragraph 5 of the Reclamation Contract or upon approval by the Board of a substitute bond, DOGM shall withdraw all funds in the Depository Account and make transfer thereof to Geneva.

If the foregoing provisions are satisfactory to you, please so indicate by signing the form of acceptance set forth below.

Very truly yours,

BASIC MANUFACTURING AND TECHNOLOGIES OF UTAH, INC.

	By Its	
ACCEPTED AND AGREED:		ACCEPTED AND AGREED:
VALLEY BANK & TRUST COMPANY		UTAH DIVISION OF OIL, GAS AND MINING
By Its Date		By Its Date